

REFERENCE TITLE: schools; ADM audits; repayment

State of Arizona  
House of Representatives  
Forty-ninth Legislature  
First Regular Session  
2009

## **HB 2604**

Introduced by  
Representative Crandall

AN ACT

AMENDING TITLE 15, CHAPTER 9, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-901.05; RELATING TO SCHOOL FINANCE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2       Section 1. Title 15, chapter 9, article 1, Arizona Revised Statutes,  
3 is amended by adding section 15-901.05, to read:

4           15-901.05. Audits: average daily membership: repayment  
5           NOTWITHSTANDING ANY OTHER LAW, A SCHOOL DISTRICT OR CHARTER SCHOOL THAT  
6 IS REQUIRED TO REPAY MONIES TO THIS STATE AS THE RESULT OF AN AVERAGE DAILY  
7 MEMBERSHIP AUDIT CONDUCTED AFTER THE EFFECTIVE DATE OF THIS SECTION BY THE  
8 DEPARTMENT OF EDUCATION OR THE OFFICE OF THE AUDITOR GENERAL SHALL REPAY THE  
9 FULL AMOUNT OF THE MONIES DUE TO THIS STATE AS A RESULT OF THE AUDIT WITHIN  
10 FIVE YEARS AFTER THE DATE OF THE AUDIT FINDING.

11          Sec. 2. Previous audits: average daily membership: repayment  
12       A. Notwithstanding any other law, a school district that meets the  
13 criteria specified in subsection B, paragraph 1 or 2 of this section and that  
14 is required to repay monies to this state as the result of an audit conducted  
15 before the effective date of this act by the department of education or the  
16 office of the auditor general pursuant to Laws 2006, chapter 353, section 23,  
17 Laws 2007, chapter 264, section 17 or Laws 2008, chapter 287, section 50  
18 shall repay the full amount of the monies due to this state as a result of  
19 the audit within five years after the date of the audit finding.

20       B. The following school districts are eligible to use the repayment  
21 provisions of subsection A of this section:

22           1. A unified school district with a student count of at least \_\_\_\_\_  
23 but less than \_\_\_\_\_ in fiscal year 2007-2008 that is required to repay a  
24 total of at least six hundred eighty-five thousand dollars but less than six  
25 hundred ninety thousand dollars pursuant to subsection A of this section.

26           2. A unified school district with a student count of at least \_\_\_\_\_  
27 but less than \_\_\_\_\_ in fiscal year 2007-2008 that is required to repay a  
28 total of at least three hundred sixty thousand dollars but less than three  
29 hundred eighty thousand dollars pursuant to subsection A of this section.

30          Sec. 3. Retroactivity  
31       Section 2 of this act is effective retroactively to September 21, 2006.

32          Sec. 4. Emergency  
33       This act is an emergency measure that is necessary to preserve the  
34 public peace, health or safety and is operative immediately as provided by  
35 law.